

FISCAL NOTE

HB 3196 - SB 3203

March 6, 2006

SUMMARY OF BILL: Creates the "Tennessee Land Injury Liability Act". Authorizes any landowner access to their property, at landowner's risk, following the derailment of any train on landowner's property. Makes any railroad liable, without regard to the fault of the railroad, for the entire expense of all remedial and recovery action related to the derailment of a train carrying hazardous cargo. Identifies specific expenses for which railroads will be liable to landowners. Requires the Commissioner of the Department of Environment and Conservation (E&C) to assist any landowner requesting, in writing, technical assistance with respect to the inspection or testing of any landowner's land that was subjected to the release of hazardous material as a result of the derailment of any train.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The fiscal impact of this legislation is dependent upon the number of derailments that will occur in the state involving hazardous materials, the extent of damages caused by such accidents, the number of requests, made in writing, by landowners for technical assistance, and the extent of technical assistance required of the Department of Environment and Conservation when such accidents occur. To the extent one incident occurs per year and an official request for technical assistance has been made from the aggrieved landowner, the increase to state expenditures is estimated to exceed \$50,000.

Assumptions:

- This act shall apply to any civil action between a landowner and any railroad operating in the state that includes a claim for injury to land in which the effective date of this act occurs before the trial of the cause regardless of when the civil action is commenced.
- There would be an increase to state expenditures whenever the Department of Environment and Conservation (E & C) would be required to provide technical assistance to landowners following a derailment involving hazardous materials.

- Determining the frequency of such occurrences, the extent of damages caused by such occurrences, the number of requests, made in writing, by landowners for technical assistance, and the extent of such technical assistance required of E & C following such occurrences is very difficult to determine.
- However, to the extent one incident occurs per year and an official request for technical assistance has been made from the aggrieved landowner, the increase to state expenditures is estimated to exceed \$50,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director